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# Security Council

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**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 31 March 2004 from the Permanent Mission of Belize to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Belize to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to transmit the report submitted by the Government of Belize pursuant to paragraphs 6 and 12 of Security Council resolution 1455 (2003) (see annex).

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**Annex to the note verbale dated 31 March 2004 from the Permanent Mission of Belize to the United Nations addressed to the Chairman of the Committee**

# REPORT OF THE GOVERNMENT OF BELIZE PURSUANT TO PARAGRAPHS 6 AND 12 OF UN SECURITY COUNCIL RESOLUTION 1455 (2003)

The Government of Belize is mindful of its obligations as a Member State of the United Nations to fully implement Security Council resolution 1455 (2003), especially in regard to any member of the Taliban and the Al-Qaida organizations and any individual, group, undertaking or entity associated with the Taliban or the Al-Qaida organization who have assisted in the financing, planning, facilitating, preparing and perpetrating of terrorist acts or in assisting terrorists.

The Government of Belize is also mindful of its additional obligation under resolution 1455 (2003) to facilitate the implementation of counter-terrorism obligations in accordance with relevant Security Council resolutions.

The present report is submitted to the Security Council Committee established pursuant to resolution 1267 (1999) in compliance with paragraph 6 of the Security Council Resolution 1455 (2003).

## I. Introduction

*1.* To date, Belize has neither received any report nor otherwise discovered any evidence of activities within Belize of Usama Bin Laden, members of the Taliban and Al-Qaida organizations, or any individual, group, undertaking or entity associated with any of them. Accordingly, there does not appear to be any clear or present threat posed by any of the aforementioned to Belize or to the region.

## II. Consolidated List

*2.* The Ministry of Foreign Affairs, Defence and National Emergency Management has notified law enforcement authorities, immigration officials, customs officials, the International Financial Services Commission and the International Merchant Marine Registry of the website address for the 1267 Committee's List. The List is also forwarded to the various financial institutions, the Governor of the Central Bank of Belize and the Director of the Financial Intelligence Unit. The Financial Intelligence Unit was established

pursuant to s. 3 of the ***Financial Intelligence Unit Act***[1] for the better investigation and prosecution of money laundering and other financial crimes and to provide for the performance by the Unit of the functions of the Supervisory Authority under the ***Money Laundering (Prevention) Act***.[2] Additionally, the Ministry also circulates hard copies of the list when it considers it necessary.

As reported in Belize's submissions to the Counter Terrorism Committee[3] in response to Security Council Resolution 1373 (2001), Belize amended its ***Money Laundering (Prevention) Act*** in 2002[4] to make improved provisions to combat "terrorism", to provide for the freezing of funds and other financial assets of terrorists, and to facilitate international cooperation in the investigation and prosecution of money laundering offences.

Section 11A of the amended Act provides for the freezing of funds of persons who commit or attempt to commit, or who facilitate or participate in or finance acts of terrorism – or of any person who is controlled directly or indirectly by, or who acts on behalf or at the direction of the first-mentioned person.

Notably, section 23(6) of the ***Money Laundering (Prevention) Act***, as amended, empowers the Supervisory Authority with the authority to take any appropriate action, including the freezing of funds and other financial assets or economic resources of any person "to comply with or give effect to a resolution of the Security Council of the United Nations adopted under Chapter VII of the United Nations Charter." Thus, relevant Security Council Resolutions could also form the basis for the freezing of funds connected with terrorism.

*3.* There have been no reports of problems with the implementation of the List of names and identifying information as currently included in the said List.

*4.* To date, the relevant authorities in Belize have not identified any of the designated individuals or entities within the country of Belize.

5. At this time, Belize does not know of any name of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida which have not been included in the List.

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[1] Financial Intelligence Unit Act, No. 35 of 2002.
[2] Chapter 104 of the Substantive Laws of Belize, Revised Edition 2000, see Part III. The laws of Belize can be downloaded from www.belizelaw.org.
[3] Published as documents S/2001/1265, S/2003/485 and S/2003/1042.
[4] The Money Laundering (Prevention) (Amendment) Act, No. 5 of 2002.

*6.* None of the listed individuals or entities have brought any lawsuit or engaged in legal proceedings against any Belizean authority for the inclusion of their names on the List.

*7.* Belizean authorities have not identified any of the listed individuals as nationals or residents of Belize. Accordingly, Belize has no further information to submit.

*8.* As indicated in Belize's second report to the Counter Terrorism Committee contained in document S/2003/485, Belize does not have legislation which specifically prohibits recruitment by terrorist groups within Belize. Nevertheless, the ***Criminal Code*** of Belize[5] makes provisions for the legal proceedings against persons found guilty of seditious libel, seditious assembly, unlawful military training and causing public terror.

## III. Financial and Economic Assets Freeze

Under the sanctions regime (paragraph 4(b) of resolution 1267 (1999) and paragraphs 1 and 2(a) of resolution 1390 (2002), States were required to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and to ensure that neither these nor any other funds, assets or resources are made available, directly or indirectly, for the benefit of these persons, by their nationals or by any person within their territory.

*9.* The domestic legal basis for the freezing of funds as required by the sanctions regime imposed by resolutions 1267 and 1390 (outlined above) are contained in the ***Money Laundering (Prevention) Act*** and the ***Money Laundering (Prevention) (Amendment) Act*** of 2002. This has been outlined above (see response at 2) and it is to the effect that section 11 A of the amended Act specifically provides that –

> "[w]here the Supervisory Authority has reasonable grounds for believing that the person by, for or on behalf of whom any funds are held is or may be-
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> (a) a person who commits, attempts to commit, facilitates or participates in the commission of acts of terrorism, or who finances such acts;
>
> (b) a person controlled or owned directly or indirectly by a person in **(a)**, or
>
> (c) a person acting on behalf, or at the direction, of a person in **(a)**,

[5] Chapter 101 of the Substantive Laws of Belize, Revised Edition 2000.

the Supervisory Authority may by notice direct that those funds shall be frozen and shall not be made available to any person[6]."

If the Supervisory Authority exercises the discretion to give notice for the freezing of such funds, such notice shall be given in writing to the person holding the funds in question ("the recipient") and the recipient should immediately forward a copy of the notice to the person whose funds they are, or for or on whose behalf they are held ("the owner"). Any person by, for or on behalf of whom those funds are held is entitled to apply to the Supreme Court for the direction to be set aside.

*10.* To identify and investigate financial networks related to Usama Bin Laden, Al-Qaida, the Taliban or individuals, groups, undertakings and entities associated with them or who provide support to them within Belize, it was indicated earlier in the report that relevant financial institutions in addition to other Belizean authorities are notified of the most recent 1267 Committee's List.

*11.* The circulation of the 1267 Committee's List is critical to facilitate the location and identification of assets attributable to, or for the benefit of Usama Bin Laden, Al-Qaida, the Taliban or entities and individuals associated with them.

The ***Money Laundering (Prevention) Act*** requires that banking institutions pay special attention to all complex, unusual or large business transactions or unusual patterns of transactions, whether completed or not, to all unusual transactions, and to all insignificant but periodic transactions which have no apparent economic or lawful purpose[7].

If they suspect that any transaction could constitute or be related to money laundering, they are duty-bound to promptly inform the Supervisory Authority. If they fail to comply with the requirements of the Act, they will attract criminal sanctions.

Additionally, the ***Money Laundering (Prevention) Regulations***[8] is of key importance since the *Money Laundering (Prevention) Guidance Notes* (the Notes) for Banks and Financial Institutions, which were developed in 1998, are contained therein. These Notes were specifically designed to cover *all categories of banks licensed in Belize, all deposit-taking and lending non bank financial institutions, and trust companies*, which are referred to in the Notes as "financial institutions". Where such financial institutions have branches or

[6] For the purposes of the Act "person" means "any entity, natural or juridical, including among others, a corporation, partnership, trust, estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, capable of acquiring rights or entering into obligations."

[7] See s. 13 of the Money Laundering (Prevention) Act, Chapter 104 of the Substantive Laws of Belize, Revised Edition 2000.

[8] Chapter 104 of the Subsidiary Laws of Belize, Revised Edition 2003.

subsidiaries in other jurisdictions they are required to ensure that such branches or subsidiaries adhere to these Notes or to those standards prevailing in the host jurisdictions especially where they are more rigorous.

The ***Money Laundering (Prevention) Regulations*** place additional administrative duties and requirements on the financial sector which go beyond the ***Money Laundering (Prevention) Act***. In particular, the relevant financial business covered by the Regulations are defined by Regulation 4 which states that it constitutes any such business as described in the **FIRST SCHEDULE** of the Act including domestic and offshore banks, insurance companies, building societies, credit unions, trust business, money lending/pawning, money exchange houses, etc.

Knowing the customer is an important internal control; the strength of any internal control procedures to deter and detect money laundering is best measured by how well the financial institution knows with whom it is doing business. How well an employee knows its customer and how well that employee knows the financial institution's internal anti-money laundering control procedures are the most effective weapons that financial institutions have to combat money laundering.

*12.* In Belize, no assets have been frozen in accordance with resolutions 1455 (2003), 1267 (1999), 1333 (2001) and 1390 (2002).

*13.* Since no assets of listed individuals and entities had been previously frozen in Belize in accordance with resolutions 1455 (2003), 1390 (2002), 1333 (2000) and 1267 (1999), there were no funds, financial assets or economic assets to be released in accordance with resolution 1452 (2002).

*14.* The ***Money Laundering (Prevention) Act*** vests the Supervisory Authority with the power to freeze funds in order to give effect to relevant Security Council Resolutions.[9] As noted in our response to 11 above, the Act also requires that banks and financial institutions pay special attention to all complex, unusual or periodic transactions and patterns which have no apparent economic or lawful purpose and requires that they promptly inform the Supervisory Authority if they suspect that any transaction could constitute or be related to money laundering. Failure to comply with this requirement will make them liable to criminal sanctions.

[9] Section 23 (6) of the Money Laundering (Prevention) Act as amended.

Further, where there are reasonable grounds for believing that a person *has committed, is committing or is about to commit* a money laundering offence the Supervisory Authority or law enforcement agency can apply to a judge of the Supreme Court for a search warrant[10] or for a property tracking and monitoring order[11].

Additionally, the ***Financial Intelligence Unit Act*** provides that the Director of the said Unit can apply ***ex parte*** to a Judge in Chambers for an attachment order where the Director has reasonable grounds to suspect that a person has committed, is committing or is about to commit a financial crime[12] - and this would be without prejudice to the powers of the Supervisory Authority under the ***Money Laundering (Prevention) Act***.

For the purposes of the Financial Intelligence Unit Act, an attachment order has the effect of:

a) attach[ing] in the hands of any person named in the order all moneys and other property due or owing or belonging to or held on behalf of the suspect;

b) requir[ing] that person to declare in writing to the Director within 48 hours of service of the order, the nature and source of all moneys and other property so attached; and

c) prohibit[ing] the person from transferring, pledging or otherwise disposing of any money or other property so attached except in such manner as may be specified in the order.

Further, section 18 of the ***Money Laundering (Prevention) Act*** requires that any person leaving Belize with an amount of money exceeding twenty thousand dollars in cash or negotiable bearer instruments (in Belize currency or equivalent foreign currency) should first report the fact to the Supervisory Authority. Failure to comply attracts heavy criminal sanctions.

## IV. Travel Ban

Under the sanctions regime all States are required to take measures to prevent the entry into or transit through their territories of listed individuals.

15. In Belize, the Immigration Act[13] and pertinent regulations declare the distinct points which are considered official points of entry or exit by land, sea and/or air. Each of the

[10] Section 14 of the Act.
[11] Section 15 of the Act.
[12] Under the Financial Intelligence Unit Act, a "financial Crime" is described as, *inter alia*, an offence under any of the enactments set out in the First Schedule to the Act or any subsidiary legislation made thereunder. The Money Laundering (Prevention) Act is found in the said schedule.
[13] Chapter 156 of the Laws of Belize, Revised Edition 2000.

principal points of entry has an immigration section. Some of the minor points of entry are supervised by Police Sub-stations or the Department of Customs. The Immigration Act also makes provision for the control of identity papers and travel documents. It provides that every person entering or leaving Belize must provide the immigration officer with a valid passport[14].

The travel ban is implemented administratively. The list of names with the relevant details is circulated to all the ports of entry by the Director of Immigration.

*16.* The names of listed individuals and relevant particulars are circulated to all ports of entry (see response at 15 above). Those names are also incorporated in an individual database which is available at the Immigrations Headquarters only.

*17.* Updated lists are circulated to all the ports of entry on a continuous basis - as soon as they become available. Presently, Belize does not have the capability of searching List Data at the various ports of entry. However, the Immigration authorities are very interested in establishing such a system as soon as adequate funding is made available.

*18.* To date, no listed individual has been stopped at any of Belize's various border points nor has any been identified as transiting through Belizean territory.

*19.* Consular Offices do not have "reference databases" incorporating the Consolidated List. However, Belize's overseas missions are made aware of the Consolidated List. To date, no visa applicant whose name appears on the List has been identified.

## V. Arms Embargo

The Firearms Act[15] and Firearms (International Movement of Firearms, Firearms Parts, Components and Ammunition) (Control) Regulations[16] require that all importation, transit and exportation of firearms through Belizean ports and territory must be approved by the Ministry of Home Affairs, which is the ministry responsible for firearms.

Importers, exporters and shipping agents are required to furnish all relevant documents and certificates and to fill out relevant forms (provided by Belizean authorities) to the Belizean authorities for their consideration before the relevant certificate (Export Certificate, Import Certificate or Intransit Shipment Authorization Certificate) is approved to the applicant.

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[14] Under the Act "passport" *"includes a certificate of identity or a travel permit and any other documents establishing to the satisfaction of the immigration officer the nationality and identity of the person or persons to whom it refers."*

[15] Chapter 143 of the Substantive Laws of Belize, Revised Edition 2000.

[16] Chapter 143S of the Subsidiary Laws of Belize, Revised Edition 2003. This is subsidiary legislation to the Firearms Act.

Belize is not a producer or manufacturer of firearms or ammunition. The Firearms Act prohibits the manufacture of firearms or ammunition in Belize without a license.

## VI. Assistance and Conclusion

Belize is unlikely to be able to provide any assistance to other States to help to implement the measures contained in Security Council Resolutions 1267 and 1455.